

FISCAL NOTE

SB 1017 - HB 1632

April 3, 2005

SUMMARY OF BILL: Specifies that students attending a charter school shall not be compelled to depart from the charter school any time prior to graduation based upon the circumstances that their previously failing schools is currently deemed to be making adequate yearly progress (AYP). Removes the limit of the number of newly created charter schools in any LEA.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Shifts BEP funds within the LEAs, from traditional public schools to public charter schools, in an amount estimated to exceed \$100,000.

Assumptions:

- Students are not currently compelled to return to their schools if they are matriculating through the charter schools' grade structure. The only time a student is expected to return to his/her assigned school is if they are *jumping grade structure*. This is consistent with requirements for Public School Choice under *No Child Left Behind*. Once a child's parent elects to exercise a choice option and attend a charter school, he/she is not required to leave that school and return to the school of origin, even if it does make (AYP). Under Tennessee's charter school law, when the school of origin is no longer identified as not making AYP, the LEA is no longer responsible for providing transportation.
- The bill increases the number of students who would be eligible as well as removing the annual limit on the number of charter schools that can be approved.
- Any increase in the number of potential charter schools or charter school students would result in a shift in local government revenues and expenditures from traditional public schools to the public charter schools within the LEA.
- The LEA is given the same amount of funds to serve a child regardless of the number of charter schools or children enrolled in the charter schools. Estimate assumes this bill would not require additional BEP funds but such BEP funds would be reallocated from traditional public schools, as the funds follow the student, to public charter schools within the LEA.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director